

1 checkoff.

2 But in addition to that there is  
3 forecasting information exchanged on a more regular  
4 basis.

5 MR. EDWARDS: Do you know what form that  
6 information takes?

7 DR. COLLINS: I don't specifically know.

8 MR. EDWARDS: Mr. Talbott or Mr. Schell,  
9 do one of you all have the same page we have been  
10 looking at?

11 MR. TALBOTT: Yes, I have it in front of  
12 me.

13 MR. EDWARDS: Then let me ask you to look,  
14 either Mr. Talbott or Mr. Schell, to page 86 of  
15 AT&T Exhibit 3, which is your direct testimony on  
16 nonmediated issues, lines five to seven. Are you  
17 there?

18 MR. TALBOTT: Yes, I am.

19 MR. EDWARDS: Now, with respect to, and I  
20 understand the testimony here relates to the  
21 underutilization of trunks issue. And just confirm  
22 for me, if you will, that there is a disagreement

1 between Verizon and AT&T with respect to Verizon's  
2 ability to disconnect trunks without confirmation  
3 or agreement by AT&T; am I correct about that?

4 MR. TALBOTT: That's the issue, yes.

5 MR. EDWARDS: Thank you.

6 Now, here in justifying AT&T's position,  
7 and here I'm referring to page 86 of your  
8 testimony, you say that since trunk traffic is  
9 inherently spiky, it's not unusual to see  
10 substantial increases after a period of relative  
11 stability, and this is provided as one of the  
12 reasons why Verizon ought not disconnect without  
13 AT&T's agreement; correct?

14 MR. TALBOTT: Yes. For example, the sales  
15 cycle following interconnection into a new market  
16 may take several months before you end up having a  
17 number of customers at which you fully utilized  
18 that trunk group.

19 MR. EDWARDS: Now, am I also correct that  
20 AT&T objects to providing forecasts to Verizon?

21 MR. TALBOTT: AT&T agrees to provide an  
22 initial forecast when it enters a new

1 interconnection, and thereafter AT&T would agree to  
2 provide forecasts for its outbound traffic and is  
3 looking for Verizon to forecast its outbound  
4 traffic unless, of course, the three to one  
5 proposal that Ms. Scarpino mentioned would take  
6 effect.

7 MR. EDWARDS: But if the three to one  
8 ratio proposal is not in effect, then AT&T's  
9 position is it would not provide a forecast;  
10 correct?

11 MR. TALBOTT: Yes, for all the reasons  
12 Dr. Collins mentioned.

13 MR. EDWARDS: Wouldn't you agree with me  
14 that if AT&T were willing to provide a forecast, it  
15 might alleviate the concern you articulated on page  
16 86 of your testimony?

17 MR. TALBOTT: No, I don't agree.

18 MR. EDWARDS: Is that because you believe  
19 the spikes that you're talking about on page 86 are  
20 short term?

21 MR. TALBOTT: And not necessarily  
22 predictable.

1 MR. EDWARDS: Let me ask to you look on  
2 Cox Exhibit 18 on the same reference with respect  
3 to my questions to Dr. Collins, page number three  
4 on the bottom.

5 Back in your testimony, lines eight to 10,  
6 you say Verizon's proposal does not give AT&T the  
7 opportunity to provide information about impending  
8 traffic volume increases, and if you look on page  
9 three, the second block from the bottom, if AT&T  
10 were to agree to these guidelines, it says each  
11 party will notify the other when they project a  
12 significant short-term spike, which is exactly your  
13 term, in demand which has the potential to impact  
14 infrastructure and/or work force balance.

15 Do you see that?

16 MR. TALBOTT: Yes, I do, and AT&T's point  
17 is exactly that. If AT&T advises Verizon that  
18 there is an impending sale which we would expect to  
19 increase traffic volumes, to please do not  
20 discontinue trunk groups, to leave that group in  
21 place for another few months, and then let's  
22 re-evaluate that trunk group; and AT&T believes

1 that neither party's interests are served for  
2 Verizon to take a unilateral action to discontinue  
3 certain trunks on that group.

4 MR. EDWARDS: So, if AT&T would agree to  
5 these forecasting guidelines, that would take care  
6 of that situation?

7 MR. TALBOTT: I didn't say forecasting  
8 guidelines. I said that once Verizon had sent an  
9 ASR requesting the discontinuance of a group; and  
10 then they were advised, following receipt of that  
11 ASR, that more traffic would be coming onto that  
12 group. Verizon should take that under advisement  
13 and not follow through with the distance.

14 MR. EDWARDS: And don't you think they  
15 would?

16 MR. TALBOTT: All I know is what the  
17 contract language provides them. And I'm sitting  
18 here believing that good business practices would  
19 suggest we shouldn't be unilaterally taking action  
20 on trunk group discontinuance.

21 MR. EDWARDS: That's my whole point here,  
22 Mr. Talbott. If you followed the guidelines,

1 Verizon would have the information to make that  
2 decision, and I assume good business people, in  
3 your opinion, would not unilaterally disconnect  
4 trunks so as to create a call blocking situation if  
5 they had information regarding a spike in traffic.

6 Do you agree?

7 MR. TALBOTT: No, I don't.

8 MR. EDWARDS: I don't have any more  
9 questions for this panel. Thank you.

10 MR. DYGERT: Before we do staff  
11 examination of this panel, does it make sense to  
12 try to get through--what I'm wondering is whether  
13 it makes sense to try to do the issues--

14 (Off the record.)

15 MR. DYGERT: Never mind. Sorry.

16 MR. EDWARDS: Do Mr. D'Amico and  
17 Mr. Albert need to come back up?

18 MS. CARPINO: No. I'm finished with my  
19 questioning.

20 QUESTIONS FROM STAFF

21 MS. CARPINO: Actually, I do have one  
22 questions for Mr. Albert, and I think he can just

1 pop over your shoulder and respond. He doesn't  
2 need to sit down for it.

3 I've been overruled. Please have a seat,  
4 Mr. Albert.

5 I was wondering how long after a trunk is  
6 disconnected does it take to turn up that same  
7 trunk, and you may want to turn on your mike.

8 MR. ALBERT: I would say rarely are you  
9 going to be turning the same physical facilities  
10 back up and on. Some of the components might be  
11 the same ones from when the group was originally in  
12 operation, but when we disconnect a trunk, we'll  
13 physically remove the connections to the switch so  
14 that we can reuse the switching capacity, the  
15 switching trunk capacity to fulfill other orders.

16 So, the time frame to normally provision a  
17 trunk, the normal provisioning intervals we have, I  
18 think that's probably the closest approximation to  
19 what you're asking about for turning something up.  
20 In terms of the work activities that would be  
21 required, and the way we would do it, it would  
22 really look like provisioning in addition to an

1 existing trunk group, and it would kick into the  
2 different category provision intervals that we  
3 have.

4           So, if it's an existing trunk group, and  
5 four of the 18 business days.

6           MS. CARPINO: Mr. Talbott, is that your  
7 understanding as well?

8           MR. TALBOTT: It could be, and maybe even  
9 a more substantial matter is the labor and the work  
10 center involvement to return the trunk up or to  
11 reincrease it. If we are talking about having to  
12 issue orders, get firm order confirmations,  
13 facility assignments, switch termination  
14 assignments, put together the circuit design, issue  
15 that to the field, I mean, we are talking about a  
16 substantial amount of manpower that could be  
17 applied and resourced elsewhere, if only the  
18 parties had come to some mutual agreement on the  
19 proper size of the group rather than taking  
20 unilateral action.

21           MS. CARPINO: All right. Thank you.

22           In Exhibit 3 of your direct testimony,



1 Mr. Talbott, Exhibit 3 of AT&T, page 84,  
2 Mr. Talbott, you indicate that party that has  
3 control over the trunk group would issue an order  
4 in the form of an ASR to the other party to  
5 establish, increase, or decrease a trunk group.

6 Had you ever issued an ASR to decrease a  
7 trunk group?

8 MR. TALBOTT: Yes. AT&T has done so.

9 MS. CARPINO: In Virginia?

10 MR. TALBOTT: I cannot address  
11 specifically for Virginia.

12 MS. CARPINO: Have you ever issued a FOC  
13 agreeing to Verizon's request to disconnect a trunk  
14 or reduce a trunk group?

15 MR. TALBOTT: I don't have specific  
16 knowledge of that particular order activity.

17 MS. CARPINO: In the testimony also on  
18 page 84, you indicate that discussing or meeting  
19 with Verizon is a common, if not daily, occurrence  
20 among the trunk provisioning centers. How  
21 frequently has AT&T set up meetings or conference  
22 calls with Verizon to discuss whether Verizon's

1 request to reduce or disconnect trunks is  
2 unwarranted or inappropriate, to use a term in your  
3 testimony? Has that ever happened?

4 MR. TALBOTT: I do not work in the trunk  
5 center, but I did speak with the managers, and have  
6 done so over a period of months about this issue,  
7 and they assure me that this is a regular  
8 occurrence; that the Verizon trunk center,  
9 provisioning centers, in our own, are in very  
10 frequent weekly contact to discuss about the  
11 performance of certain groups, and those managers,  
12 it doesn't take them along to work through for a  
13 solution to determine what's the appropriate thing  
14 to do. I mean, normally, it's fairly well obvious.  
15 Sometimes it's service-affecting and both parties  
16 have to act very quickly to augment a group to  
17 eliminate severe blocking. And they're used to  
18 doing that.

19 MS. CARPINO: Under your proposal, what  
20 recourse does Verizon have, if any, if you refuse  
21 to agree or reduce--agree to reduce or disconnect  
22 an underutilized trunk group?

1 MR. TALBOTT: First, I would that think  
2 they would test the credibility of AT&T's  
3 information. If AT&T, based on a Verizon request  
4 do diminish a group said no, wait, the traffic is  
5 coming, no, wait, the traffic is coming, and it  
6 never did over a period of many, many months, then  
7 I think the credibility of that group is  
8 diminished, and then they would have recourse to go  
9 through dispute resolution on that.

10 But that's not the case. Here we have two  
11 groups who are capable of working together to  
12 resolve these issues, and mutual agreement is the  
13 typical--the way that this is done.

14 So, I will just say that AT&T wants to act  
15 in good faith on this matter. We are not trying to  
16 hold Verizon network's hostage, but we are trying  
17 to protect the interests of our customers and our  
18 product managers, who are trying to be successful  
19 in the marketplace.

20 MS. CARPINO: What's the utilization rate  
21 that you operate your trunk groups at?

22 MR. TALBOTT: I don't know that

1 specifically.

2 MS. CARPINO: Do you know whether there is  
3 some utilization rate that your engineers or that  
4 AT&T adheres to?

5 MR. SCHELL: I'm not sure what the  
6 utilization is on per trunk group basis, but the  
7 design standard is the same as Bell Atlantic--I'm  
8 sorry, Verizon. The design standard on the tandem  
9 groups is B 01, and on a direct, on the final--I'm  
10 sorry, on a high usage it would be B 01, and on the  
11 final it would be B 005. So, one in a hundred  
12 calls blocked on a high usage group in a busy hour  
13 and one and 200 blocked on the final group. Then  
14 they would be sized to that requirement.

15 MS. FARROBA: Those are pretty much the  
16 industry standards for blocking, aren't they?

17 MR. SCHELL: Yes.

18 MS. CARPINO: If the Commission were to  
19 modify Verizon's proposal to incorporate AT&T's  
20 suggestion that Verizon not disconnect a trunk  
21 absent an AT&T FOC, does that address your concerns  
22 with Verizon's unilateral termination?

1 MR. TALBOTT: Yes, it would.

2 And if I might so add, that we would be  
3 willing to be obligated to respond to the Verizon  
4 request.

5 MS. CARPINO: Within a certain period of  
6 time?

7 MR. TALBOTT: Within a certain period of  
8 time. I think it's reasonable that we don't ignore  
9 their request, and I think that is a reciprocal  
10 obligation we would have so as not to provide them  
11 unilateral right.

12 MS. CARPINO: What's a reasonable period  
13 of time to return the FOC?

14 MR. TALBOTT: 10 days.

15 MS. CARPINO: Dr. Collins, are you  
16 familiar with AT&T's three to one proposal?

17 DR. COLLINS: I've read it.

18 MS. CARPINO: What's your position on it?

19 DR. COLLINS: Cox is silent on the AT&T  
20 proposal, and instead we submit our own proposal.

21 MS. CARPINO: It would be helpful to the  
22 Commission if you could explain Cox's position on

1 this three to one ratio.

2 DR. COLLINS: We've not--I'm not trying to  
3 avoid a direct answer to your question. We've  
4 really not come down with the position to. We've  
5 read it. I think we understand it, but haven't  
6 considered it as a part of a practice that Cox  
7 would seek to adopt of its own accord.

8 MS. CARPINO: If Cox were to sign up an  
9 ISP as a customer, is it willing to share that  
10 information with Verizon?

11 DR. COLLINS: Yes. It's part of another  
12 issue as well as being put of this issue, I-5. We  
13 made recommendations within I-5 to collaborate on  
14 ascertaining what levels of ISP traffic are and  
15 everything related to it, including your own; that  
16 is, FCC's three to one ratio concept, to the extent  
17 that it might apply.

18 MS. CARPINO: I have one last question for  
19 you, and it was just a follow-up of Mr. Edwards'  
20 questions. We just had a hard time hearing you.

21 Did you make a distinction between  
22 trending in forecasting?

1 DR. COLLINS: The congruence between  
2 trending and forecasting is the following:  
3 Trending is usually first step in a forecasting  
4 process, and it is done month by month, season by  
5 season on a month-by-month, season-by-season basis.  
6 That is, you would have a plot of matches for one  
7 year, second year, third year, fourth year, July,  
8 and so forth, month by month. So, you would have  
9 12 plots. The reason for that is because traffic  
10 fluctuates season to season, month to month.

11 More detailed trending would be done on a  
12 busy hour, 10 busy day basis out of the month. But  
13 that's only the first--that's only the first step.  
14 And augmenting that step is now--now should be  
15 brought to bear the peculiar nature of the  
16 business. What kind of marketing is going to be  
17 done, are there any special offerings going to be  
18 made, what kind of customer groups are going to be  
19 targeted, what has been the growth per customer  
20 class that contribute to the forecast. A whole lot  
21 of things that are business oriented.

22 MS. CARPINO: And you're providing this

1 trending information to Verizon on an incremental  
2 basis?

3 DR. COLLINS: So right now, as far as  
4 Verizon is concerned, we take the information that  
5 we receive on their end of their trunk group, so we  
6 have the traffic information on our end of their  
7 pipe to us, but what we don't know is what was the  
8 blockage on their end, and frankly speaking, we got  
9 indications that there is significant blocking.  
10 We've got--in fact, as late as February of this  
11 year we have a complaint in to the Virginia  
12 Commission because even though we've always been  
13 providing these trending forecasts, as Verizon  
14 seems to want, it doesn't work because if it did  
15 work, we wouldn't get blocking. Our customers are  
16 complaining that Verizon's customers can't call  
17 them. Those numbers of complaints received arrived  
18 at such levels that we were compelled to send a  
19 letter to the Commission to ask for some solution.

20 MS. CARPINO: Thank you.

21 DR. COLLINS: I will now complete the  
22 answer.



1           So, what we are providing to Verizon is a  
2 relatively sterile version of a trended forecast  
3 which at least provides them a basis insofar as  
4 they want it from us, provides them a basis on  
5 which they could do something else. Then we hope  
6 they are doing something else with them.

7           MS. CARPINO: Thank you.

8           Mr. Albert testified that Verizon is  
9 currently receiving both inbound and outbound  
10 traffic forecasts from both AT&T and WorldCom in  
11 Virginia. Is that the case? We can begin with  
12 WorldCom.

13           MR. GRIECO: Yes, we are providing both  
14 inbound and outbound forecasts to Verizon.

15           MS. CARPINO: And AT&T?

16           MR. TALBOTT: I believe our current  
17 agreement does provide for that, and we are seeking  
18 to have the new agreement improved.

19           MS. CARPINO: All right. Thank you very  
20 much. We have no further questions.

21           MR. DYGERT: Does either side have  
22 redirect they would like to ask?

1 MR. MONROE: I have one question on  
2 redirect, Mr. Dygert.

3 MR. DYGERT: Okay.

4 REDIRECT EXAMINATION

5 MR. MONROE: Mr. Grieco, I think you said  
6 to Mr. Edwards on cross-examination that Verizon or  
7 WorldCom accepts Verizon's position of not agreeing  
8 or disagreeing with WorldCom forecast; is that  
9 correct?

10 MR. GRIECO: I said I think we may have.  
11 I can't state it for certain.

12 MR. MONROE: Okay. By that, were you  
13 saying that the WorldCom does or does not seek for  
14 Verizon to provision the number of trunks that  
15 WorldCom forecasts?

16 MR. GRIECO: We definitely want them to  
17 provision the trunks that we forecast. Whether  
18 they choose to agree or disagree is irrelevant to  
19 that.

20 MR. MONROE: All right. Thank you.  
21 That's all, Mr. Dygert.

22 MS. CARPINO: Actually, I lied. I do have

1 one more question to AT&T.

2 Are you familiar with the agreement  
3 reached between WorldCom and Verizon with respect  
4 to DIXC data?

5 MR. TALBOTT: No, I'm not.

6 MS. CARPINO: I don't have the details,  
7 unfortunately, but is AT&T willing to share DIXC  
8 data with Verizon?

9 MR. TALBOTT: I could check with our trunk  
10 forecasting center. I would be happy to get you an  
11 answer to that question.

12 MS. CARPINO: All right. Why don't we  
13 make that a record request. I believe that's the  
14 second of the day. The first being to Verizon to  
15 produce a Massachusetts decision.

16 Thank you.

17 MR. DYGERT: Any other redirect?

18 MR. HARRINGTON: Cox has none.

19 MS. SCHMIDT: AT&T has none.

20 MR. EDWARDS: No questions from Verizon.

21 MR. DYGERT: All right, thank you. I  
22 gather it is too late in the day to try to make it

1 through issues 411, 434, and 437 before Mr. Albert  
2 has to leave.

3 All right. Then I guess at this point we  
4 move on to intercarrier compensation.

5 MS. KELLEY: Could we take a short break?

6 (Brief recess.)

7 MR. DYGERT: We are ready to start again.

8 MS. CARPINO: Before we begin with the  
9 next subpanel, I just wanted to clarify the last  
10 record request I made of AT&T. The agreement that  
11 Verizon and WorldCom have reached could be  
12 summarized in one sentence. In fact, it's in  
13 Mr. Grieco's direct testimony, which I believe is  
14 Exhibit 14.

15 MR. MONROE: WorldCom 14.

16 MS. CARPINO: That Verizon will provide  
17 WorldCom with DIXC data for both one-way and  
18 two-way trunks. That's it. Thanks.

19 MR. DYGERT: I believe everyone here has  
20 previously been sworn in. Correct me if I'm wrong.  
21 But I guess for the record I will indicate that we  
22 are now moving on to the intercarrier compensation

1 panel, which includes issues I-5, I-6, III-5, V-8,  
2 VII-8, and IV-35. And, gentlemen, if you would  
3 identify yourselves for the record, then we will  
4 begin.

5 MR. ARGENBRIGHT: Mark Argenbright,  
6 WorldCom.

7 MR. BALL: Gary Ball, WorldCom.

8 DR. COLLINS: Francis Collins on behalf of  
9 Cox.

10 MR. KIRCHBERGER: Bob Kirchberger, AT&T.

11 MR. SCHELL: John Schell, AT&T.

12 MR. TALBOTT: David L. Talbott, AT&T.

13 MR. HARRINGTON: At this time Cox would  
14 like to introduce the letter we discussed yesterday  
15 morning. This has been marked for identification  
16 as Cox Exhibit Number 19. It is a letter to Dr.  
17 Dorothy Attwood, Chief of the Common Carrier  
18 Bureau, and the arbitrator in this proceeding,  
19 informing her that Cox and Verizon have resolved  
20 the issues in Cox's motion to strike and Cox's  
21 motion to enforce the August 17 order, and it  
22 contains attached to it the language that is now

1 the Verizon proposal in this proceeding. And as  
2 the letter indicates, I was authorized to file this  
3 letter, or I'm authorized to inform the Commission  
4 that Verizon Virginia had reviewed and approved the  
5 letter.

6 Now that it's been marked and distributed  
7 I would like to move its admission.

8 (Cox Exhibit No. 19 was  
9 marked for identification.)

10 MR. EDWARDS: We've no objection.

11 MR. DYGERT: Thank you. It's admitted.

12 (Cox Exhibit No. 19 was  
13 admitted into evidence.)

14 MR. DYGERT: With that, I think we could  
15 begin Verizon's cross-examination.

16 CROSS-EXAMINATION

17 MR. OATES: My name is Michael Oates, law  
18 firm of Hunton & Williams here on behalf of  
19 Verizon.

20 If it's all right with the Commission and  
21 with the parties, what we would like to do is begin  
22 with issue III-5. Mr. D'Amico is going to cover

1 three issues, and I don't know if it's possible if  
2 we can get through these today, it would be  
3 preferable. III-5 is the first of the issues he  
4 would cover. V-8, VII-8 are the other two.

5 V-8 is an AT&T issue that, by virtue of  
6 testimony--and I don't think there is any  
7 dispute--is sort of indivisible from V-1, which is  
8 a network architecture issue that has to do with  
9 competitive access tandem services. I don't know  
10 if we want to try to cover that. Here it doesn't  
11 make sense to split it up and perhaps we could  
12 cover that in the architectural panel.

13 VII-8, just to throw it all on the table,  
14 is really an issue which was initially stated as a  
15 question of whether AT&T would pay end office or  
16 tandem rates for traffic that terminated on the  
17 Verizon network. That part of the issue has been  
18 resolved by virtue of the testimony that has been  
19 exchanged, and what remains is really a dispute  
20 between UNE rates and access rates, which is  
21 subsumed within issue 52 or end office versus  
22 tandem rates, which is subsumed in issue III-5.

1           So the long and short of that on issue  
2 VII-8 is we don't see that as an independent issue  
3 any further.

4           MR. HARRINGTON: Is it my understanding  
5 that you want to proceed on those three issues  
6 independently of the other issues on this panel and  
7 then move to the other issues at a later point?

8           MR. OATES: Move to the other issues  
9 tomorrow would be--yes. I mean, unless we go  
10 through all of them, obviously we don't need to  
11 stop any earlier than we normally would, but if we  
12 get through in D'Amico's issue, that would be our  
13 preference to do so today.

14          MR. DYGERT: So, the issue is that after  
15 you had crossed on those three issues, then  
16 Mr. D'Amico would be made available for cross on  
17 those three, and then could be excused?

18          MR. OATES: Yes.

19          MR. HARRINGTON: If that's going to  
20 happen, we would ask that Dr. Collins be excused  
21 for this panel because he won't be testifying to  
22 any of those issues.



1 MR. DYGERT: That's fine with us.

2 MR. KEFFER: The same would hold true with  
3 Mr. Kirchberger.

4 MR. McRAE: Mr. Kirchberger also is not  
5 addressing any of those issues. If he could also  
6 be excused.

7 MR. DYGERT: Okay, so Dr. Collins and  
8 Mr. Kirchberger, we will see you again after we  
9 finish with this first phase of the intercarrier  
10 compensation panel.

11 MR. HARRINGTON: As I understand Verizon's  
12 proposal, it would expect that we would return to  
13 the other issues tomorrow morning. They sound like  
14 they don't think we'll get past these three  
15 tonight?

16 MR. OATES: I don't know. I suppose  
17 that's entirely possible, quite honestly. I don't  
18 have a great deal of cross-examination on issue  
19 III-5. And if the other parties are amenable to  
20 consolidating V-8 with issue V-1, and doing so  
21 under the network architecture panel when it  
22 reconvenes, I will tell you I have no

1 cross-examination on issue VII-8 because again, I  
2 think that's subsumed within some other issues. So  
3 I don't know how long the questioning will go with  
4 regard to III-5, but certainly I would hope we  
5 could finish that issue this evening.

6 MR. DYGERT: Just so I'm clear, V-8, if  
7 you consolidated it to the network architecture  
8 panel would be something that along with the rest  
9 of network architecture would need to be postponed  
10 until Mr. Albert was back, or is only Mr. D'Amico  
11 testifying to that?

12 MR. OATES: Actually, I can't speak to  
13 that with regard to issue V. I don't know. I  
14 guess I should defer that to Mr. D'Amico and ask  
15 whether Mr. Albert is involved in that or not.

16 MR. D'AMICO: We could do it when we  
17 reschedule those other issues next week.

18 MR. DYGERT: That's what I was trying to  
19 decide.

20 MR. D'AMICO: Yes.

21 MR. OATES: I think that's in the subpanel  
22 five for network architecture.